

**Assembly Bill No. 425**

\_\_\_\_\_

Passed the Assembly May 14, 2009

\_\_\_\_\_  
*Chief Clerk of the Assembly*

\_\_\_\_\_

Passed the Senate July 9, 2009

\_\_\_\_\_  
*Secretary of the Senate*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2009, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 4000.38 of the Vehicle Code, relating to vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

AB 425, Cook. Vehicles: registration: reissuance fee exemption: military.

Existing law requires the Department of Motor Vehicles to suspend, cancel, or revoke the registration of a vehicle where the financial responsibility requirements have not been met. The person seeking reinstatement of the vehicle registration is required to pay a fee sufficient to pay the cost of the reissuance as determined by the department.

This bill would, commencing on January 1, 2011, exempt a member of the California National Guard or the United States Armed Forces, who was on active duty, serving outside of this state in a military conflict during a time of war at the time of the suspension, cancellation, or revocation of the vehicle registration, from paying the reissuance fee. The person would be required to submit a copy of his or her official military orders upon requesting the registration reinstatement.

*The people of the State of California do enact as follows:*

SECTION 1. Section 4000.38 of the Vehicle Code is amended to read:

4000.38. (a) The department shall suspend, cancel, or revoke the registration of a vehicle when it determines that any of the following circumstances has occurred:

(1) The registration was obtained by providing false evidence of financial responsibility to the department.

(2) Upon notification by an insurance company that the required coverage has been canceled and a sufficient period of time has elapsed since the cancellation notification, as determined by the department, for replacement coverage to be processed and received by the department.

(3) Evidence of financial responsibility has not been submitted to the department within 30 days of the issuance of a registration certificate for the original registration or transfer of registration of a vehicle.

(b) (1) Prior to suspending, canceling, or revoking the registration of a vehicle, the department shall notify the vehicle owner of its intent to suspend, cancel, or revoke the registration, and shall provide the vehicle owner a reasonable time, not less than 45 days in cases under paragraph (2) of subdivision (a), to provide evidence of financial responsibility or to establish that the vehicle is not being operated.

(2) For the low-cost automobile insurance program established under Section 11629.7 of the Insurance Code, the department shall provide residents with information on the notification document, in plain, bold type not less than 12 point in size, and in both English and Spanish, stating the following:

“A program offering affordable automobile insurance to low-income households has been established. To determine if you are eligible for this insurance, call (insert toll-free phone number for the California Automobile Assigned Risk Plan or its successor). This call is free to you and may be made during normal business hours, Monday through Friday, except holidays.”

(c) (1) Notwithstanding any other provision of this code, before a registration is reinstated after suspension, cancellation, or revocation, there shall be paid to the department, in addition to any other fees required by this code, a fee sufficient to pay the cost of the reissuance as determined by the department.

(2) Commencing on January 1, 2011, the reissuance fee imposed by paragraph (1) shall not apply to a member of the California National Guard or the United States Armed Forces who was on active duty, serving outside of this state in a military conflict during a time of war, as defined in Section 18 of the Military and Veterans Code, at the time of the suspension, cancellation, or revocation of his or her vehicle registration. The person shall submit a copy of his or her official military orders upon requesting the registration reinstatement.

Approved \_\_\_\_\_, 2009

---

*Governor*